

Amendment No. 57 (NE)

September 21, 2006

SOW: ☒ No
☐ Yes

Category	Service Element	Unit	Price
	<u>Rate Card No. 1: Deleted.</u>		
	<u>Rate Card No. 2.</u> Commencing on January 1, 2004 and ending on December 31, 2006, if the cumulative TN Porting Events since the Effective Date of the regional Agreement that have occurred in the Service Area on or before December 31, 2003 equal or exceed 10,000,000, then the following schedule of charges per TN Porting Event in the Service Area shall apply for each TN Porting Event within each tier set forth below to determine the monthly Aggregate Porting Charge for the Service Area based upon the cumulative number of TN Porting Events that have occurred in the Service Area after December 31, 2003 (such schedule hereinafter referred to as "Rate Card No. 2"):		
	£ 35,714,285		\$1.08
	35,714,286 — 71,428,571		\$1.05
	71,428,572 — 107,142,857		\$1.03
	107,142,858 — 142,857,142		\$1.00
	142,857,143 — 178,571,428		\$0.97
	178,571,429 — 214,285,714		\$0.95
	> 214,285,714		\$0.93
	<u>Rate Card No. 3 (2007):</u> If the cumulative TN Porting Events since the Effective Date of this Agreement that have occurred in the Service Area associated with this Agreement on or before December 31, 2006 equal or exceed 50,000,000 (i.e., without regard to TN Porting Events occurring in other Service Areas), then the charge per TN Porting Event in the Service Area for each calendar month in calendar year 2007 (i.e., beginning January 1, 2007 and continuing through and including December 31, 2007) used to determine the monthly Aggregate Porting Charge for the Service Area is fixed at the charge set forth immediately to the right of this entry (such charge hereinafter referred to as "Rate Card No. 3"). If the cumulative number of TN Porting Events that have occurred in the Service Area on or before to December 31, 2006 fails to equal or exceed 50,000,000 (i.e., without regard to TN Porting Events occurring in other Service Areas), then the charge per TN Porting Event in this Service Area shall be determined in accordance with Rate Card No. 2 above.		
	<u>Rate Card No. 4 (2008 and Thereafter):</u> If the cumulative TN Porting Events since the Effective Date of this Agreement that have occurred in the Service Area associated with this Agreement on or before December 31, 2007 equals or exceeds 50,000,000, then commencing on January 1, 2008, and continuing through the end of the Initial Term, the charge per TN Porting Event for all TN Porting Events in a calendar month in the Service Area		As set forth in Attachment 1

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Category	Service Element	Unit	Price
		used for determining the monthly Aggregate Porting Charge shall equal the "Effective Rate" calculated and applied in accordance with Attachment 1 to this Exhibit E. If the cumulative number of TN Porting Events that have occurred in this Service Area on or before to December 31, 2007 fails to equal or exceed 50,000,000, then the charge per TN Porting Event in this Service Area shall be determined in accordance with Rate Card No. 2 above.	
	Standard Reports ⁵	per standard report generated	\$150.00
	Initial Ad Hoc Reports ⁶	per hour	\$100.00
	Subsequent Ad Hoc Reports	Per Report	\$100.00
	Bulk Data Downloads for delivery at a specific time <i>outside</i> Normal Business Hours. ⁷	Per Bulk Data Download per Service Area	\$150.00
	Bulk Data Download provided to User with suspended association during the Initial Suspension period	BDD per NPAC Service Area provided during Initial Suspension period (one per day per applicable NPAC Service Area must be accepted), as provided by SOW24, as revised.	One BDD in each NPAC Service Area per day: no charge
	Bulk Data Download provided to User with suspended association during the Continued Suspension period.	BDD per NPAC Service Area provided during Continued Suspension period (one per day per applicable NPAC Service Area must be accepted), as provided by SOW24, as revised.	\$500 for each NPAC Service Area BDD provided
	Inadvertent Port (SOW 19)	Per request for assistance, up to 15 TNs or ranges of TNs	\$250.00
	Dedicated Technical Support ⁸	Per hour	\$150.00
3. Non-Recurring Charges			
	Log-on ID Charge ⁹	one time per Log-on ID established	\$1,000.00
	Mechanized Interface ¹⁰	one time per interface association	\$17,600.00

Billable NPAC User Support Manual Request Table

Category	Description of Request
Create SV	New SP asks Help Desk to issue new SP Create, for single TN or range of TNs
Create SV	Old SP asks Help Desk to issue old SP Create, for single TN or range of TNs
Prevent SV Activation	Old SP asks Help Desk to change concur flag to "false" on pending SV (or SVs, for range of TNs)
Activate SV	New SP asks Help Desk to activate a pending SV for a single TN (or SVs, for a range of TNs)

Remove
Prevention of SV
Activation

Old SP (or New SP, after due date or t2 timer's expiration) asks Help Desk to change concur flag to "true"
on pending SV (or SVs, for range of TNs)

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Category	Description of Request
Modify Pending SV	New SP asks Help Desk to modify single SV (or SVs, for a range of TNs)
Disconnect TN	Current SP asks Help Desk to issue disconnect for TN (or range of TNs)
Cancel Pending SV	Old SP or New SP asks Help Desk to issue its cancel for pending SV (or SVs, for range of TNs)
Look Up SV	SP asks Help Desk to look up active SV for a TN (or SVs for range of TNs)
Modify Active SV	Current SP asks Help Desk to modify single active SV
Audit SV	SP asks Help Desk to issue audit request for a TN, or range of TNs, with SV(s) in active state
Look Up Network Data	SP asks Help Desk to look up NPA-NXX, NPA-NXX ID, LRN, or LRN ID to determine associated SPID and/or ID
Change Network Data	SP asks Help Desk to add to or to delete from the NPAC's network data an NPA-NXX(s) or LRN(s). Requests to delete these data can be accommodated only if the SP making the request is the SP that originally entered the data. This limitation does not apply in the case where the SP asks Help Desk to delete an NPA-NXX (but not an LRN) where the NPA is not associated with the NPAC Service Area in which the NPA-NXX is open.
Change GUI Password	SP asks Help Desk to change its GUI Password
Re-enter GUI Logon	SP asks Help Desk to re-enter its GUI Logon which SP has allowed to expire

**Schedule 2
Training Charges**

Service Element	Unit	Cost Per Participant
On Site Training ¹¹	1-2 trainees	\$795.00
	3-5 trainees	\$715.50
	6 or more trainees	\$636.00
Off-Site Training ^{12 13}	1-2 trainees	\$715.50
	3-5 trainees	\$643.95
	6 or more trainees	\$572.40

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SOW: ☒ No
☐ Yes**Schedule 3
Interoperability Testing**

Category & Service Element	Unit	Price
LSMS Interoperability Testing		
Initial Test	per new carrier system release (includes up to 5 weeks)	\$48,000
Additional Testing	per each additional day after initial test of same release	\$ 2,700
SOA Interoperability Testing		
Initial Test	per new carrier system release (includes up to 3 weeks)	\$32,000
Additional Testing	per each additional day after initial test of same release	\$ 2,700

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Schedule 4

**Schedule of Representative Hourly Labor Charges
Applicable to Statements of Work
For Contract Years 1 Through End**

Labor Category	Year 1	Year 2	Year 3	Year 4	Year 5*
User Support Services Staff	\$35.25	\$37.01	\$38.86	\$40.81	\$42.85
Systems Administrator	\$55.39	\$58.16	\$61.07	\$64.13	\$67.33
Network Analyst	\$45.32	\$47.59	\$49.97	\$52.47	\$55.09
Systems Support Analyst	\$48.34	\$50.76	\$53.30	\$55.96	\$58.76
Administrative Services Staff	\$30.21	\$31.72	\$33.31	\$34.98	\$36.72
Training and Documentation	\$45.32	\$47.59	\$49.97	\$52.47	\$55.09

*Amounts after Year 5 for each Labor Category shall be increased by 5% annually from the prior year.

Schedule 5

Schedule of Target Amounts

Target Options	Monthly Targets for Nov/Dec 1997 ²	Monthly Targets for 1Q 1998 ²	Monthly Targets for 2Q 1998 through 4Q 2001 ²	Monthly Targets for 1Q 2002 through 2Q 2002 ²	Monthly Target for July 2002	Total Contract Targets
Option A — Service Term Begins on 10/1/97	\$683,333.33	\$348,958.33	\$348,958.33	\$ 0	\$ 0	\$18,799,999.83
Option B — Service Term Begins on 1/1/98	\$341,666.66	\$351,200.00	\$348,958.33	\$348,958.33	\$341,666.66	\$19,875,474.81

Notes:

- The target schedule depends on the service term selected by the Customer. If the service term begins on 10/1/97, then Option A applies. Likewise, if the service term begins on 1/1/98, then Option B applies.
- The targets are listed in monthly amounts for each of the respective calendar periods outlined above. The targets are calculated and applied on a monthly basis as described in Section 6.6 of the Agreement.

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Schedule 6

Sample Annual Target and Allocable Target Shortfall/Credit Calculation

The following is an example of how Allocable Target Shortfalls and Allocable Targets are determined in connection with the Quarterly Targets. A description of the methodology (including defined terms used below) is set forth in Section 6.6 of the Agreement.

	<u>Jan-98</u>	<u>Feb-98</u>	<u>Mar-98</u>
Assumptions:			
Monthly Target Amount (Assuming Quarterly Target of \$1,046,875)	\$348,958	\$348,958	\$ 348,958
Pro-Rated Target Amount	\$348,958	\$697,917	\$1,046,875
Monthly User Charges	\$300,000	\$375,000	\$ 500,000
Year-To-Date User Charges	\$300,000	\$675,000	\$1,175,000
Sample Calculation:			
Pro-Rated Target Amount	\$348,958	\$697,917	\$1,046,875
Less Target Shortfall/Credit Compare Amount (Computed as follows)			
Year-To-Date User Charges	\$300,000	\$675,000	\$1,175,000
Year-To-Date Net Shortfall (through previous billing cycle)	N/A	\$ 48,958	\$ 22,917
Target Shortfall/Credit Compare Amount	\$300,000	\$723,958	\$1,197,917
Allocable Target Shortfall *	\$ 48,958	\$ 0	\$ 0
Allocable Target Credit *	\$ 0	\$(26,042)	\$ (22,917)
Year-To-Date Net Shortfall Amount	\$ 48,958	\$ 22,917	\$ 0

*** Note:**

Allocated to Users pursuant to the Allocation Model and billed or credited, as applicable, to Users at the end of the Billing Cycle along with all other User Charges.

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SOW: ☒ No
☐ YesATTACHMENT 1
TO
EXHIBIT E**Rate Card No. 4 Calculation of Monthly Aggregate Porting Charge**
Beginning January 1, 2008 and Continuing Through the End of the Initial TermExplanatory Statement

In accordance with the Contractor Services Agreement for NPAC/SMS, the Aggregate Porting Charge is the total charge for TN Porting Events in the Service Area for each calendar month. Commencing on January 1, 2008, and continuing through December 31, 2014, the monthly Aggregate Porting Charge shall be based upon an "effective" TN Porting Event rate as provided under this Attachment 1 to Exhibit E.

1. Determination of Annualized Volume

(a) The total number of TN Porting Events in a calendar month for all United States Service Areas served by Contractor is designated the "**Aggregate Monthly Volume**."

(b) The sum of the Aggregate Monthly Volume for each month to date within a calendar year is designated as the "**Year-to-Date Volume**."

(c) The Year-to-Date Volume divided by the number of calendar months to date within a calendar year is designated the "**Average Monthly Volume**" for all United States Service Areas served by Contractor.

(d) The product of the Average Monthly Volume and the number twelve (12) is designated the "**Annualized Volume**" for all United States Service Areas served by Contractor.

2. Calculation of the Effective Rate

(a) The "**Effective Rate**" corresponding to the Annualized Volume for all United States Service Areas served by Contractor is derived in accordance with Paragraph 4 below.

3. Determination of Aggregate Porting Charge

(a) The product of the Effective Rate and the Year-to-Date Volume is designated as the "**Year-to-Date Aggregate Porting Charge**" for all United States Service Areas served by Contractor for all calendar months to date in the current calendar year.

(b) The "**Adjusted Aggregate Porting Charge**" for all United States Service Areas serviced by Contractor associated with the current calendar month is determined by subtracting the preceding month's (if any) Adjusted Aggregate Porting Charge from the current month's Year-to-Date Aggregate Porting Charge.

(c) The Adjusted Aggregate Porting Charge is then allocated to the Subscribing Customer based on each Service Area's pro-rata share of TN Porting Events for the current calendar month to determine the Subscribing Customer's monthly Aggregate Porting Charge, which is then billed and allocated to the Users in the Subscribing Customer's Service Area in accordance with the Contractor Services Agreement for NPAC/SMS.

4. Effective Rate Calculation

The Effective Rate shall be calculated, beginning on January 1, 2008 and thereafter, on a straight-line basis using the "**Effective Rate Calculation Formula**" and "**Effective Rate Calculation Table**" set forth below for an Annualized Volume between 200,000,000 and 587,500,000. For an Annualized Volume less than or equal to 200,000,000, the Effective Rate shall equal a flat rate equal to Ninety Five Cents (\$0.95). For an Annualized Volume greater than or equal to 587,500,000, the Effective Rate shall equal a flat rate of Seventy Five Cents (\$0.75).

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The Effective Rate Calculation Formula is for calculating, with Annualized Volume as an input from Paragraph 1 above, an Effective Rate, which in turn is an input into Paragraph 3 above for determining the Year-to-date Aggregate Porting Charge each month. The Effective Rate Calculation Formula is defined as the following:

$$\text{Effective Rate} = B + [(A - \text{Annualized Volume}) \times (D) / (C)]$$

Inputs "A", "B", "C" and "D" in the Effective Rate Calculation Formula are determined by the values corresponding to the row, for which the Annualized Volume is Greater than the Annualized Volume Level Lower and less than or Equal to the Annualized Volume Level Upper, in the Effective Rate Calculation Table below.

EFFECTIVE RATE CALCULATION TABLE

Annualized Volume Level Lower	Annualized Volume Level Upper (A)	Rate Corresponding to Lower Level	Rate Corresponding to Upper Level (B)	Incremental Volume Between Upper and Lower (C)	Incremental Rate Reduction Between Upper and Lower (D)
200,000,000	250,000,000	\$0.95	\$0.93	50,000,000	\$0.02
250,000,000	312,500,000	\$0.93	\$0.91	62,500,000	\$0.02
312,500,000	337,500,000	\$0.91	\$0.89	25,000,000	\$0.02
337,500,000	362,500,000	\$0.89	\$0.87	25,000,000	\$0.02
362,500,000	387,500,000	\$0.87	\$0.85	25,000,000	\$0.02
387,500,000	412,500,000	\$0.85	\$0.83	25,000,000	\$0.02
412,500,000	437,500,000	\$0.83	\$0.81	25,000,000	\$0.02
437,500,000	462,500,000	\$0.81	\$0.80	25,000,000	\$0.01
462,500,000	487,500,000	\$0.80	\$0.79	25,000,000	\$0.01
487,500,000	512,500,000	\$0.79	\$0.78	25,000,000	\$0.01
512,500,000	537,500,000	\$0.78	\$0.77	25,000,000	\$0.01
537,500,000	562,500,000	\$0.77	\$0.76	25,000,000	\$0.01
562,500,000	587,500,000	\$0.76	\$0.75	25,000,000	\$0.01

The Effective Rate, which is used to determine the charge per TN Porting Event under "Rate Card No. 4," as set forth in Schedule 1 under Exhibit E, applies only with respect to each calendar month in which the Service Area's monthly Aggregate Porting Charge is calculated, and in no event shall a different Effective Rate, and consequently a TN Porting Event charge, be applied on account, for example, that the actual cumulative TN Porting Events for an entire calendar year differs from the "Annualized Volume" in any one calendar month.

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☐ Yes**

¹ Monthly port charges recover various capital, operating, and maintenance costs associated with providing access to the NPAC/SMS service to NPAC Users through dedicated links. These costs are generally related to costs of the data communications network infrastructure and various communications, security, operating, and help-desk services, delivered at the required 99.9% service availability levels, not associated with the delivery of NPAC/SMS transactions or record storage. The specific cost elements include:

- Fault-tolerant data communications routers
- Fault-tolerant data communications IP switches
- Fault-tolerant front-end communications servers for CMISE and secure web services
- Network infrastructure: wiring, cross-connect panels, test and monitoring equipment
- RADIUS CHAP authentication servers
- SecurID Smartcard ACE authentication servers
- V-One Smartwall Internet authentication servers
- Security key certification servers
- Internet firewall bastion servers and access facilities
- Inter-NPAC site communications facilities
- Network management systems
- Network operations, monitoring, and service level reporting
- Traffic monitoring, engineering, management, and network utilization reporting
- Network-portion of help-desk
- Domain name service
- E-mail service
- FTP service
- Public web (electronic bulletin board) service
- NNTP (network time) service
- Encryption key management
- Link engineering services
- Link, firewall, and authentication provisioning
- Link activation testing
- Network service activation testing (for non-SMS services, such as: DNS, e-mail, FTP, NNTP, public web and routing protocols)
- Periodic link testing

² See Note 1 above.

- 3 Charge applies only to "Billable NPAC User Support Manual Requests" in accordance with Section 6.2(b)(i) of the Agreement. For such purposes, Billable NPAC User Support Manual Requests shall only include those contacts listed below in the Billable NPAC User Support Manual Requests Table, as such table may be amended from time to time in writing by agreement of the Contractor and the Customer, executed by such Contractor and Customer.
- 4 For purposes of determining the charge for each TN Porting Event pursuant to Schedule 1 of this Exhibit E, a TN Porting Event shall be considered to have occurred and to be chargeable when both events (a) and (b) below occur:
 - (a) **Request Compliance** — The NPAC/SMS complies with a Proper Request that results in a create, delete, or modify of an active subscription version (an "Active SV") for all LNP Types. A request that results in a create, delete, or modify of an Active SV for all LNP Types is deemed to be proper (a "Proper Request") when such request is initiated, generated, or otherwise authorized by:
 - 1) an NPAC User using its NPAC SOA interface or LSMS interface or the NPAC operations GUI,

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- 2) an NPAC User relying on a surrogate's NPAC SOA interface or LSMS interface or a surrogate's use of the NPAC operations GUI (the surrogate is an NPAC User),
- 3) an NPAC User acting through NPAC personnel,
- 4) an NPAC User's surrogate acting through NPAC personnel (the surrogate is an NPAC User),
- 5) the National Pooling Administrator in its role as defined by the INC Thousand Block Number Pool Administration Guidelines acting through NPAC personnel, or
- 6) any other method or process approved by the NAPM LLC.

A Proper Request that involves NPAC personnel can be made in writing or verbally, such requests to be documented by NPAC personnel. Contractor will credit transaction charges resulting from a TN Porting Event generated as a result of NPAC personnel error, and will maintain adequate documentation for auditing purposes.

- (b) **Initial Broadcast** — There is an initial broadcast notifying all subtending LSMSs for which the broadcast is destined that the Active SV has been created, deleted, or modified as a result of the Proper Request (the "Initial Broadcast") for all LNP types. For LNP type POOL, an Initial Broadcast is both (i) the broadcast to EDR-enabled LSMSs of a create, delete, or modify of an active block (an "Active Block") (the broadcast being a broadcast of NPA-NXX-X data rather than of SV data), and (ii) the broadcast to non EDR-enabled LSMSs of the corresponding LNP Type POOL SVs that are created, deleted, or modified as a result of an Active Block being created, deleted, or modified. If there is no LSMS available to receive the Initial Broadcast of the created, deleted or modified Active SV (i) due to the use of a filter or (ii) because an Active Block is involved and all subtending LSMSs for which the broadcast is destined are EDR-enabled, then the creation, deletion, or modification of the Active SV in the NPAC SMS shall be deemed sufficient to be considered a TN Porting Event. Re-broadcasts are not chargeable TN Porting Events.

A modify of an Active SV as a result of a Proper Request in (a) above, followed by the Initial Broadcast in (b) above, is a single TN Porting Event irrespective of the number of fields in the Active SV being replaced and irrespective of whether the data in the field(s) actually is changed. A subsequent modify of the same Active SV as a result of a Proper Request in (a) above, followed by the Initial Broadcast in (b) above, is an additional TN Porting Event. The modify of an Active SV applies only to the following fields:

- Location Routing Number (LRN)
- CLASS Destination Point Code (CLASS DPC)
- CLASS Sub System Number (CLASS SSN)
- LIDB Destination Point Code (LIDB DPC)
- LIDB Sub System Number (LIDB SSN)
- CNAM Destination Point Code (CNAM DPC)
- CNAM Sub System Number (CNAM SSN)
- ISVM Destination Point Code (ISVM DPC)
- ISVM Sub System Number (ISVM SSN)
- WSMSC Destination Point Code (WSMSC DPC)
- WSMSC Sub System Number (WSMSC SSN)
- Billing ID
- End User Location Value
- End User Location Type
- SV Type

- Optional Data

The determination of TN Porting Event quantities is unaffected by the use of ranges, or the involvement of an Active Block, because the TN Porting Event charge is based on the quantity of Active SVs created, deleted, or

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modified in the NPAC/SMS and is not related to the quantity of messages sent between the NPAC/SMS and its Users in connection with a Proper Request. Each Active SV is associated with a single TN. Neither the provision of a Bulk Data Download (i.e., "BDD") nor a SPID Mass Update Request File (i.e., "SMURF") is an Initial Broadcast.

- 5 There is no charge for the "User Profile" Standard Report.
- 6 At Contractor's discretion, an Initial Ad Hoc Report request will be treated as a subsequent Ad Hoc Report request if it is similar to a previously requested Ad Hoc Report.
- 7 There is no charge for Bulk Data Downloads that are to be delivered at a specific time within Normal Business Hours. Requests that fail to state delivery time will be treated as requests for delivery during Normal Business Hours.
- 8 Dedicated Technical Support is provided only upon User's request. The rate does not apply to testing support such as is done for new User Testing, or in connection with new NPAC release testing, or for testing against a current NPAC release.
- 9 The one-time Log-on ID charge recovers the costs associated with establishing, testing, and maintaining a Log-on ID for either a mechanized system (system User) or NPAC operations GUI (OpGUI) User. OpGUI Users are issued SecurID smartcards that are used to authenticate OpGUI access. System Users, while they do not use smartcards, have additional ACSE-related security facilities (encryption key list management) that are roughly equivalent in cost to the smartcard. The specific cost elements include:
 - Application processing costs (access privileges questionnaire, User verification, etc.)
 - Assignment of interim Log-on prior to issuance of permanent Log-on ID
 - Provisioning of NPAC/SMS User table, NPAC/SMS system
 - Smartcard issuance and provisioning for OpGUI Users
 - Generation and exchange of encryption key list for system Users
 - Log-on, access privileges and smartcard authentication testing
- 10 The Mechanized Interface charge recovers the costs of provisioning and Turnup Testing associated with activating a mechanized interface association to the NPAC/SMS. The specific cost elements include: (a) provisioning of ACSE and CMISE access tables, security monitoring tables, and network management systems; and (b) Turnup Testing consisting of stack-to-stack, object-to-object, and application-to-application testing. The Mechanized Interface charge also includes the cost of any retesting of the NPAC/SMS required as the result of any Material Defect identified during such testing or any retesting. "Turnup Testing" is currently defined, per the ICC NPAC SMS Committee and Operations Committee, as a 7-week process, involving 5 weeks of actual testing consisting of a majority subset of the interface Interoperability Testing. These tests are conducted between the production LSMS/SOA carrier system and the NPAC/SMS Production Computer System over the production network facilities prior to activating it as a live interface association. This Service Element is only required for Users with mechanized interfaces to the NPAC/SMS, and not for Users that will only use the OpGUI interface to the NPAC/SMS. Turnup Testing, while conducted at the NPAC/SMS Production Computer System, is performed by a separate support team and is therefore an incremental cost to normal NPAC/SMS operations. If the Turnup Test Plan is modified for any reason and such modification results in an agreed upon reduction in the required level of mechanized interface testing, the Parties will enter into a Statement of Work hereunder providing for an appropriate adjustment to the prices set forth in Category 3 of Schedule 1 of the Pricing Schedules to reflect the reduced level of testing.
- 11 Training consists of LTI User training lasting 8 to 12 hours.
- 12 A charge will be assessed for the instructor's reasonable travel, lodging, and other expenses in addition to the per-trainee charge shown above.
- 13 Virtual Private Network (VPN) access is available for off-site training at no additional charge. However, if NeuStar technical support is required to establish the temporary VPN arrangement, then the support is provided at the rate for Dedicated Technical Support.

Exhibit B

Michael O'Connor
VP, Customer Relations
Office: 571-434-5540
Fax: 571-434-5412

April 13, 2007

Thomas Koutsky
Chairman, North American Numbering Council
c/o Phoenix Center for Advanced Legal and Economic Public Policy Studies
5335 Wisconsin Avenue, NW
Suite 440
Washington, D.C. 20015-2034

Dear Chairman Koutsky,

We are in receipt of the Telcordia Technologies, Inc. ("Telcordia") letter, dated February 7, 2007 (the "February 7 Letter"), in which Telcordia makes various claims and demands concerning the recent extension of the agreement between NeuStar, Inc. ("NeuStar") and the North American Portability Management LLC ("NAPM") for the administration of the Number Portability Administration Center ("NPAC"). We submit this letter to clarify statements made by Telcordia in the February 7 Letter.

Lockheed Martin IMS, NeuStar's predecessor, executed seven, regional Contractor Services Agreements for NPAC/SMS (the "Master Agreements"), one for each of the, then-existing, limited liability companies that managed number portability in each of the United States regions.¹ Beginning in 1999, the NAPM became the successor in interest to the seven, regional limited liability companies.² Although the NAPM is the Customer and contracting party with NeuStar under the Master Agreements, and any amendments thereof, the NAPM executes amendments as the successor in interest to and on behalf of each regional limited liability company, which companies are referred to as Subscribing Customers.

On March 17, 2006, the NAPM requested that NeuStar entertain discussions for amending the regional Master Agreements - more than five years prior to its expiration.³ The NAPM and NeuStar negotiated at arms length an agreement, Amendment No. 57, providing for a substantial reduction in the porting fees paid by all carriers. As part of this agreement the parties agreed, *inter alia*, to a four-year extension of the

¹ The regional limited liability companies were: Mid-Atlantic Carrier Acquisition Company, LLC, LNP, LLC (Midwest), Northeast Carrier Acquisition Company, LLC, Southeast Number Portability Administration Company, LLC, Southwest Region Portability Company, LLC, West Coast Portability Services, LLC, and Western Region Telephone Number Portability, LLC.

² Participation in the NAPM is open to all service providers subject to porting and/or pooling of numbers.

³ The term of each Master Agreement has been extended twice prior to Amendment No. 57, first from March 31, 2003 through May 31, 2006, and a second time through May 31, 2011.

Master Agreements, from 2011 to 2015.⁴ The amendment did not modify the non-exclusive nature of the Master Agreements.⁵ The amendment further provides a mechanism for modifying the reductions (both upwards and downwards) in porting charges based on the occurrence of certain triggers,⁶ but in no event would the porting fees be higher than under the prior contract. If triggered, any decreases in the reductions expire at the end of 2011,⁷ well ahead of the expiration of the Master Agreements in 2015. The amendment also provides for the application of the current billing structure to possible future transactions concerning certain IP-related data elements that are yet to be included in the NPAC, although the amendment expressly does not approve incorporation of these IP-related elements into the NPAC.⁸ The NAPM approved Amendment No. 57 by a supermajority vote, as required under its procedures, and on September 21, 2007, the parties executed one agreement for each of the seven regions served by the NPAC. The amendments specifically identify the NAPM as the Customer and each regional limited liability company on whose behalf the NAPM executes the amendment as the Subscribing Customer.⁹

We now turn to the claims and demands raised by Telcordia in the February 7 Letter.

Telcordia claims that as an NPAC User¹⁰, it never received notification of Amendment No. 57. This is not the case. On December 19, 2006, NeuStar provided notice of Amendment No. 57 to all Users. It was not until February 5, 2007, that Telcordia requested a copy of Amendment No. 57, which NeuStar delivered to Telcordia on February 7, 2007.

Telcordia claims in its letter that Subscribing Customers were “not consulted” in agreeing to Amendment No. 57. This is not the case. NeuStar negotiated Amendment No. 57 with the NAPM, the Customer under the Master Agreement. As noted above, the NAPM executed the amendment as the successor in interest to and on behalf of each Subscribing Customer, which the amendment specifically defines as each of the seven regional limited liability companies succeeded by the NAPM. The NAPM is vested with the authority to negotiate amendments to the Master Agreement on behalf of all Users.

Telcordia claims that Amendment No. 57 “prohibits Subscribing Customers...and others” from advocating alternative solutions. This is not the case. An upward adjustment to the porting charge applies only to official and duly authorized acts of the Customer or Subscribing Customer. NPAC Users and members of the NAPM are *not* the Customer or Subscribing Customer. Also, the amendment

⁴ Amendment No. 57, Article 7.

⁵ Contractor Services Agreement, Article 28.

⁶ The discount is reduced only if, before the end of 2011, the NAPM (i.e., the Customer) or the regional limited liability companies (i.e., the Subscribing Customers) either (a) take a duly authorized, official action or (b) make a public statement or public announcement regarding the following events: (i) seek a lower porting charge, (ii) issues a request for proposals, or similar request, for the provision of NPAC/SMS-type services, (iii) advocates, endorses, adopts, or approves the development, implementation or use of an alternate TN-level routing administration capability; or (iv) accepts a proposal, whether solicited or unsolicited, to provide NPAC/SMS-type services. Amendment No. 57, Section 8.3(b).

⁷ Amendment No. 57, Section 8.3(a).

⁸ Amendment No. 57, Section 8.5(c).

⁹ Amendment No. 57, Articles 1 and 2.

¹⁰ Upon execution of an NPAC/SMS User Agreement, an applicant for access to the NPAC is referred to as an NPAC “User.”

expressly provides that the NAPM is not prohibited from engaging in any activity that might decrease the price reduction.¹¹

Telcordia requests that the NANC “override” Amendment No. 57 or some of its terms and conditions. This is unwarranted. Amendment No. 57 is a private agreement between private parties. Amendment No. 57 was approved by a supermajority vote and executed by the NAPM on behalf of the industry. It represents a consensus view of the industry and the NAPM that has been given responsibility for negotiating and managing the Master Agreements. Significantly, Telcordia’s objections do not raise issues with NeuStar’s administration of the NPAC. Nor does Telcordia raise any allegations that NeuStar has provided number portability services in a discriminatory manner or violated any of its substantial and unique neutrality requirements. Rather, Telcordia raises commercial issues that have been placed under the purview of the original regional limited liability companies, now the NAPM.

Telcordia’s allegation that Amendment No. 57 is “anti-competitive” is disingenuous for several reasons. First, the NAPM retains the right to terminate the Master Agreements if NeuStar breaches its material obligations under the contract. Absent such a failure, the NAPM would be acting contrary to both the industry and public interest if it were to obtain services from an alternate vendor with higher pricing than the industry currently pays. Presumably, an alternate vendor would develop and offer a technically-capable, lower-risk and lower-priced solution. Any effort by NeuStar to enforce upward adjustments to the porting charge would actually help such a competitor, and therefore is categorically not anti-competitive. Second, the Master Agreements retain their non-exclusive nature. Thus, the industry is always able to consider concurrent vendors for NPAC-type services. And finally, the adjustments that could lead to a reduction in the discounts set forth in Amendment No. 57 cannot result in higher porting charges than the lowest porting charge possible immediately prior to the effectiveness of the Amendment.

Telcordia raised an issue during the February, 2007, NANC meeting that is not set forth in the February 7 Letter, but which we feel should be addressed here. Speaking on behalf of Telcordia, Mr. Mazzone, Vice President – Industry Relations for Telcordia Technologies, Inc. - demanded the removal of “billable transactions from NANC 400 which is beyond the scope of the NPAC.” We assume that this statement refers to the provision in Amendment No. 57 for the billable nature of transactions concerning the four IP-related data elements that are the subject of NANC 400. The billable nature of transactions is clearly within scope of the Master Agreement because the negotiation of NPAC-related charges is vested in the contracting parties to the Master Agreements. Contrary to Mr. Mazzone’s implication, Amendment No. 57 does not approve incorporation of the four IP-related data elements in the NPAC. The amendment merely provides for the application of the existing billable structure to possible future transactions involving possible future IP-related data elements, if such data elements are ultimately approved for inclusion in the NPAC.

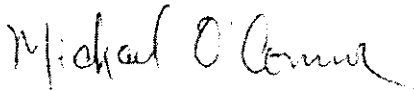
¹¹ The amendment specifically provides that participation of a member company of the Customer or a Subscribing Customer in industry forums, such as the ENUM LLC, or trials for an alternate TN-level routing administration capability, such as ENUM, does not constitute a customer activity triggering an adjustment in the discount. Amendment No. 57, Section 8.3(b).

The NAPM fulfilled its role as providing oversight and management of the Master Agreements. NeuStar has fulfilled its role as the Contractor under the Master Agreements. Moreover, there have been no claims that the NAPM did not follow its required procedures, including the need for a supermajority vote, in order to amend the Master Agreements. While always able to consider presentations and unsolicited proposals from vendors, including Telcordia, the NAPM determined that the best course of action for the industry was to seek an accommodation with an existing vendor, the results of which became Amendment No. 57.

Analogous to the consensus decision-making process at the NAPM, as highlighted by the supermajority requirement, it is NeuStar's experience that recommendations made by the NANC to the FCC are done by consensus. Thus far, the vast majority of NANC members have expressed support for the actions of the NAPM. It seems clear from the last two NANC meetings that not only is there *de minimis* opposition to Amendment No. 57, but that there is a significant consensus supporting the outcome.

Accordingly, NeuStar does not believe that Telcordia has raised any issues warranting further review by the NANC.

Yours Truly,



Michael O'Connor
VP, Customer Relations
NeuStar, Inc.

Exhibit C

Exhibit D



NAPM LLC Vendor Proposal Advisory Committee (VPAC)

May 19, 2005